

NEWS RELEASE



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Occupational Employment and Wages in Lexington-Fayette, May 2013

Workers in the Lexington-Fayette Metropolitan Statistical Area had an average (mean) hourly wage of \$19.79 in May 2013, 11 percent below the nationwide average of \$22.33, according to the U.S. Bureau of Labor Statistics. Regional Commissioner Janet S. Rankin noted that, after testing for statistical significance, wages in the local area were significantly lower than their respective national averages in 18 of the 22 major occupational groups, including life, physical, and social science; arts, design, entertainment, sports, and media; and management.

When compared to the nationwide distribution, local employment was more highly concentrated in 5 of the 22 occupational groups, including production, healthcare practitioners and technical, and food preparation and serving related. Conversely, seven groups had employment shares significantly below their national representation, including business and financial operations, office and administrative support, and construction and extraction. (See <u>table A</u> and box note at end of release.)

One occupational group—food preparation and serving related—was chosen to illustrate the diversity of data available for any of the 22 major occupational categories. Lexington-Fayette had 24,000 jobs in food preparation and serving related, accounting for 9.6 percent of local area employment, significantly higher than the 9.0-percent share nationally. The average hourly wage for this occupational group locally was \$9.50, measurably below the national wage of \$10.38.

With employment of 6,740, combined food preparation and serving workers, including fast food was the largest occupation within the food preparation and serving related group, followed by waiters and waitresses (4,990) and restaurant cooks (2,230). Among the higher paying jobs were first-line supervisors of food preparation and serving workers, and institution and cafeteria cooks, with mean hourly wages of \$13.46 and \$12.63, respectively. At the lower end of the wage scale were combined food preparation and serving workers, including fast food (\$8.34) and restaurant, lounge, and coffee shop hosts and hostesses (\$8.44). (Detailed occupational data for food preparation and serving related are presented in table 1; for a complete listing of detailed occupations available go to www.bls.gov/oes/current/oes_30460.htm.)

Table A. Occupational employment and wages by major occupational group, United States and the Lexington-Fayette Metropolitan Statistical Area, and measures of statistical significance, May 2013

	Percent of total	al employment	Mean hourly wage		
Major occupational group	United States	Lexington	United States	Lexington	Percent difference ¹
Total, all occupations	100.0%	100.0%	\$22.33	\$19.79*	-11
Management	4.9	4.8	53.15	44.80*	-16
Business and financial operations	5.0	3.4*	34.14	29.04*	-15
Computer and mathematical	2.8	2.3	39.43	28.25*	-28
Architecture and engineering	1.8	2.0	38.51	33.54*	-13
Life, physical, and social science	0.9	0.9*	33.37	23.63*	-29
Community and social services		1.2*	21.50	19.86*	-8
Legal	0.8	0.6*	47.89	39.82*	-17
Education, training, and library	6.3	6.3	24.76	26.43	7
Arts, design, entertainment, sports, and media	1.3	1.3	26.72	20.17*	-25
Healthcare practitioner and technical	5.8	6.9*	35.93	32.03*	-11
Healthcare support	3.0	2.9	13.61	13.13*	-4
Protective service	2.5	2.5	20.92	16.04*	-23
Food preparation and serving related	9.0	9.6*	10.38	9.50*	-8
Building and grounds cleaning and maintenance	3.2	2.7*	12.51	11.43*	-9
Personal care and service	3.0	2.8	11.88	10.75*	-10
Sales and related	10.6	10.0*	18.37	15.78*	-14
Office and administrative support	16.2	15.1*	16.78	15.25*	-9
Farming, fishing, and forestry	0.3	0.7*	11.70	11.79	1
Construction and extraction	3.8	3.1*	21.94	19.08*	-13
Installation, maintenance, and repair	3.9	4.0	21.35	20.72	-3
Production	6.6	9.8*	16.79	18.14	8
Transportation and material moving	6.8	7.0	16.28	14.68*	-10

^{*} The percent share of employment or mean hourly wage for this area is significantly different from the national average of all areas at the 90-percent confidence level.

Location quotients allow us to explore the occupational make-up of a metropolitan area by comparing the composition of jobs in an area relative to the national average. (See <u>table 1</u>.) For example, a location quotient of 2.0 indicates that an occupation accounts for twice the share of employment in the area than it does nationally. In the Lexington-Fayette Metropolitan Statistical Area, above average concentrations of employment were found in some of the occupations within the food preparation and serving related group. For instance, restaurant, lounge, and coffee shop hosts and hostesses were employed at 2.0 times the national rate in Lexington, and institution and cafeteria cooks at 1.7 times the U.S. average. On the other hand, waiters and waitresses had a location quotient of 1.1 in Lexington, indicating that this particular occupation's local and national employment shares were similar.

These statistics are from the Occupational Employment Statistics (OES) survey, a federal-state cooperative program between BLS and State Workforce Agencies, in this case, the Kentucky Department for Workforce Investment.

¹ A positive percent difference measures how much the mean wage in Lexington is above the national mean wage, while a negative difference reflects a lower wage.

OES wage and employment data for the 22 major occupational groups in the Lexington Metropolitan Statistical Area were compared to their respective national averages based on statistical significance testing. Only those occupations with wages or employment shares above or below the national wage or share after testing for significance at the 90-percent confidence level meet the criteria.

NOTE: A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

Technical Note

The Occupational Employment Statistics (OES) survey is a semiannual mail survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States. Guam, Puerto Rico, and the Virgin Islands are also surveyed, but their data are not included in the national estimates. OES estimates are constructed from a sample of about 1.2 million establishments. Forms are mailed to approximately 200,000 sampled establishments in May and November each year for a 3-year period. May 2013 estimates are based on responses from six semiannual panels collected in May 2013, November 2012, May 2012, November 2011, May 2011, and November 2010. The overall national response rate for the six panels is 75.3 percent based on establishments and 71.6 percent based on employment. The sample in the Lexington-Fayette Metropolitan Statistical Area included 2,399establishments with a response rate of 77 percent. For more information about OES concepts and methodology, go to www.bls.gov/news.release/ocwage.tn.htm.

The OES survey provides estimates of employment and hourly and annual wages for wage and salary workers in 22 major occupational groups and 821 detailed occupations for the nation, states, metropolitan statistical areas, metropolitan divisions, and nonmetropolitan areas. In addition, employment and wage estimates for 94 minor groups and 458 broad occupations are available in the national data. OES data by state and metropolitan/nonmetropolitan area are available from www.bls.gov/oes/current/oessrcst.htm and www.bls.gov/oes/current/oessrcma.htm, respectively.

The May 2013 OES estimates are based on the 2010 Standard Occupational Classification (SOC) system and the 2012 North American Industry Classification System (NAICS). Information about the 2010 SOC is available on the BLS website at www.bls.gov/soc and information about the 2012 NAICS is available at www.bls.gov/bls/naics.htm. **Area definitions**

The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget.

The Lexington-Fayette, Ky. Metropolitan Statistical Area includes Bourbon, Clark, Fayette, Jessamine, Scott, and Woodford Counties. Additional information

OES data are available on our regional web page at www.bls.gov/regions/southeast. Answers to frequently asked questions about the OES data are available at www.bls.gov/oes/oes_ques.htm. Detailed technical information about the OES survey is available in our Survey Methods and Reliability Statement on the BLS website at www.bls.gov/oes/2013/may/methods_statement.pdf. Information in this release will be made available to sensory impaired individuals upon request – Voice phone: 202-691-5200; Federal Relay Service: 800-877-8339.

Table 1. Employment and wage data from the Occupational Employment Statistics survey, by occupation, Lexington-Fayette Metropolitan Statistical Area, May 2013

	Emplo	yment	Mean wages	
Occupation (1)	Level (2)	Location quotient ⁽³⁾	Hourly	Annual ⁽⁴⁾
Food Preparation and Serving Related Occupations	24,000	1.1	\$9.50	\$19,750
Chefs and Head Cooks	120	0.6	20.85	43,360
First-Line Supervisors of Food Preparation and Serving Workers	1,940	1.2	13.46	28,000
Cooks, Fast Food	810	0.9	8.34	17,340
Cooks, Institution and Cafeteria	1,240	1.7	12.63	26,270
Cooks, Restaurant	2,230	1.1	10.30	21,430
Cooks, Short Order	160	0.5	9.64	20,060
Food Preparation Workers	1,230	0.8	10.18	21,180
Bartenders	650	0.6	9.44	19,630
Combined Food Preparation and Serving Workers, Including Fast Food	6,740	1.2	8.34	17,340
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	990	1.2	8.17	17,000
Waiters and Waitresses	4,990	1.1	8.84	18,400
Food Servers, Nonrestaurant	270	0.6	9.97	20,750
Dining Room and Cafeteria Attendants and Bartender Helpers	520	0.7	8.48	17,650
Dishwashers	720	0.8	8.79	18,280
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	1,330	2.0	8.44	17,560

⁽¹⁾ For a complete listing of all detailed occupations in Lexington-Fayette, see www.bls.gov/oes/current/oes_30460.htm

⁽²⁾ Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown separately. Estimates do not include self-employed workers.

⁽³⁾ The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.

⁽⁴⁾ Annual wages have been calculated by multiplying the hourly mean wage by a 'year-round, full-time' hours figure of 2,080 hours; for those occupations where there is not an hourly mean wage published, the annual wage has been directly calculated from the reported survey data.